

2023-2024

Saskatoon Public Schools Budget Report



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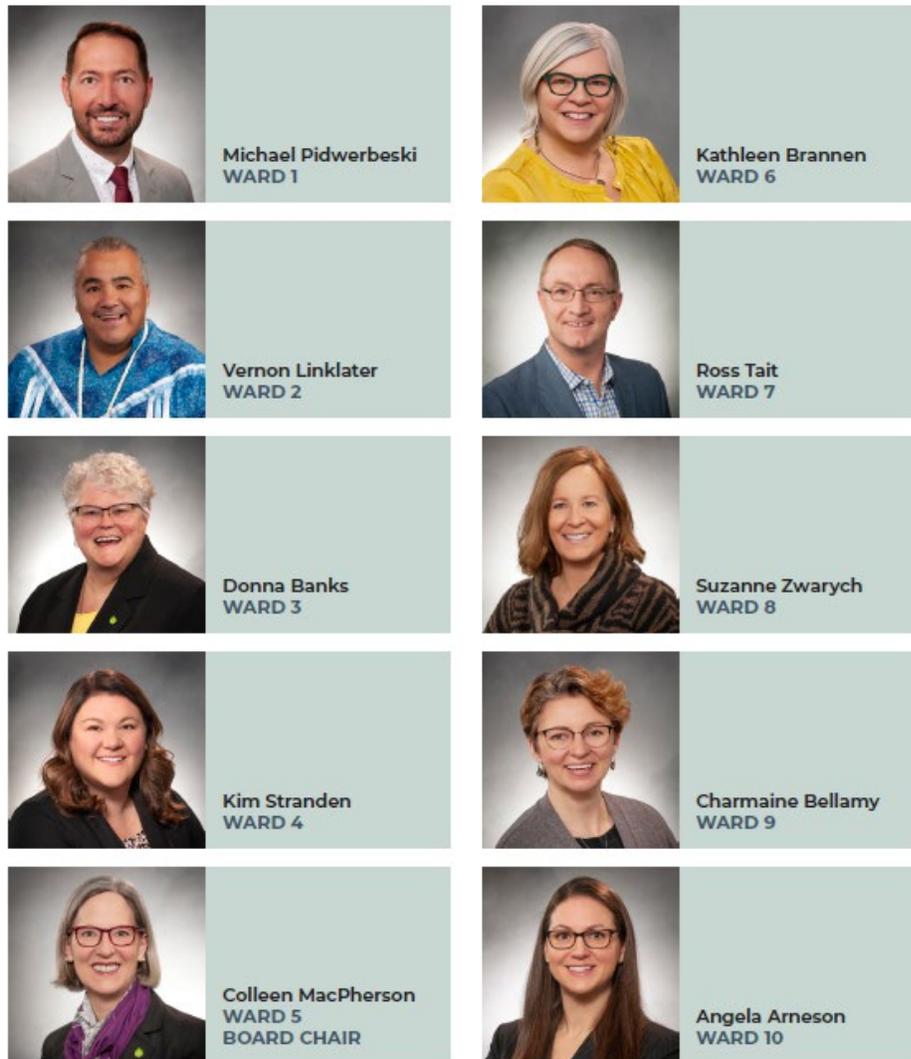
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THE BOARD OF EDUCATION

Saskatoon Public Schools is governed by a 10-person elected Board of Education. *The Education Act, 1995* gives the Board of Education the authority to govern the school division.

The school division is organized into 10 wards for the purpose of elections, but once elected, the members of the Board of Education represent all students in the division and are committed to providing the very best education possible for every student.

The current Board of Education was elected on November 13, 2020 and is serving a four-year term. Board of Education members are:



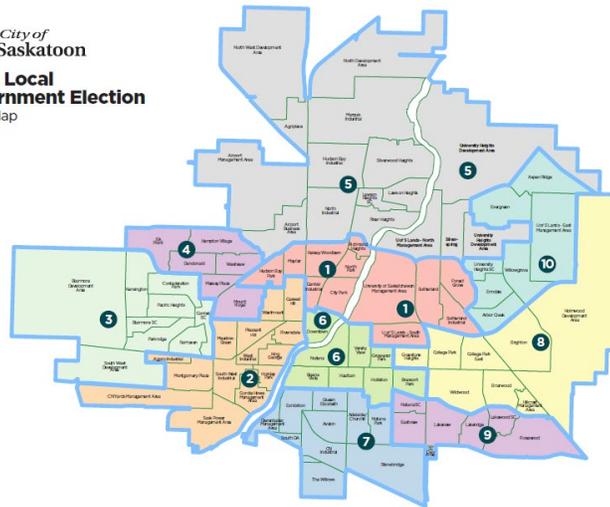
SCHOOL DIVISION PROFILE

Saskatoon Public Schools encompasses the City of Saskatoon and includes Whitecap Dakota First Nation. It is the largest school division in the province, educating over 27,000 students in 47 elementary schools, 10 collegiates, one k-12 school, one associate school and one alliance school.

The school division is organized into 10 wards for election purposes.



2020 Local Government Election
Ward Map



Each school is also represented by a school community council that works closely with the school administrative team to facilitate parent and community participation.



STRATEGIC PLAN

Academic excellence, character, engagement, and well-being of students are at the heart of Saskatoon Public Schools' strategic plan. The plan has a clear vision that resonates with students, staff, parents/caregivers and the larger community. A two-year extension to the strategic plan (ending in 2026) was approved by the board on May 10, 2022.

Saskatoon Public Schools
STRATEGIC PLAN

OUR VISION
Every Student is
Known • Valued • Believed In



ACADEMIC EXCELLENCE
Students will achieve success in their learning goals

CHARACTER
Students will demonstrate respect, responsibility, and perseverance

ENGAGEMENT
Students will actively participate in relevant and meaningful learning

WELL-BEING
Students will develop the skills to make healthy choices

OUR COMMITMENT
We will create learning experiences that inspire all students to reach their potential.



Saskatoon Public Schools
STRATEGIC PLAN

FULFILLING OUR COMMITMENT

RELATIONSHIPS We will

- foster caring and supportive relationships
- honour diversity
- create welcoming and joyful spaces
- develop and grow community partnerships

EQUITY We will

- be open to all
- maintain high expectations for all
- enact anti-racist/anti-oppressive practices
- pursue a representative workforce

ACCOUNTABILITY We will

- respond to student needs through evidence-based practices
- focus on Indigenous student success
- pursue continuous improvement
- ensure safe, caring, and accepting environments



BUDGETARY IMPACTS

The March 22, 2023 provincial budget increased Saskatoon Public Schools' operating funding by 1.1% or \$2.8 million, with an operating grant of \$256.0 million¹ compared to \$253.2 million in 2022-23.

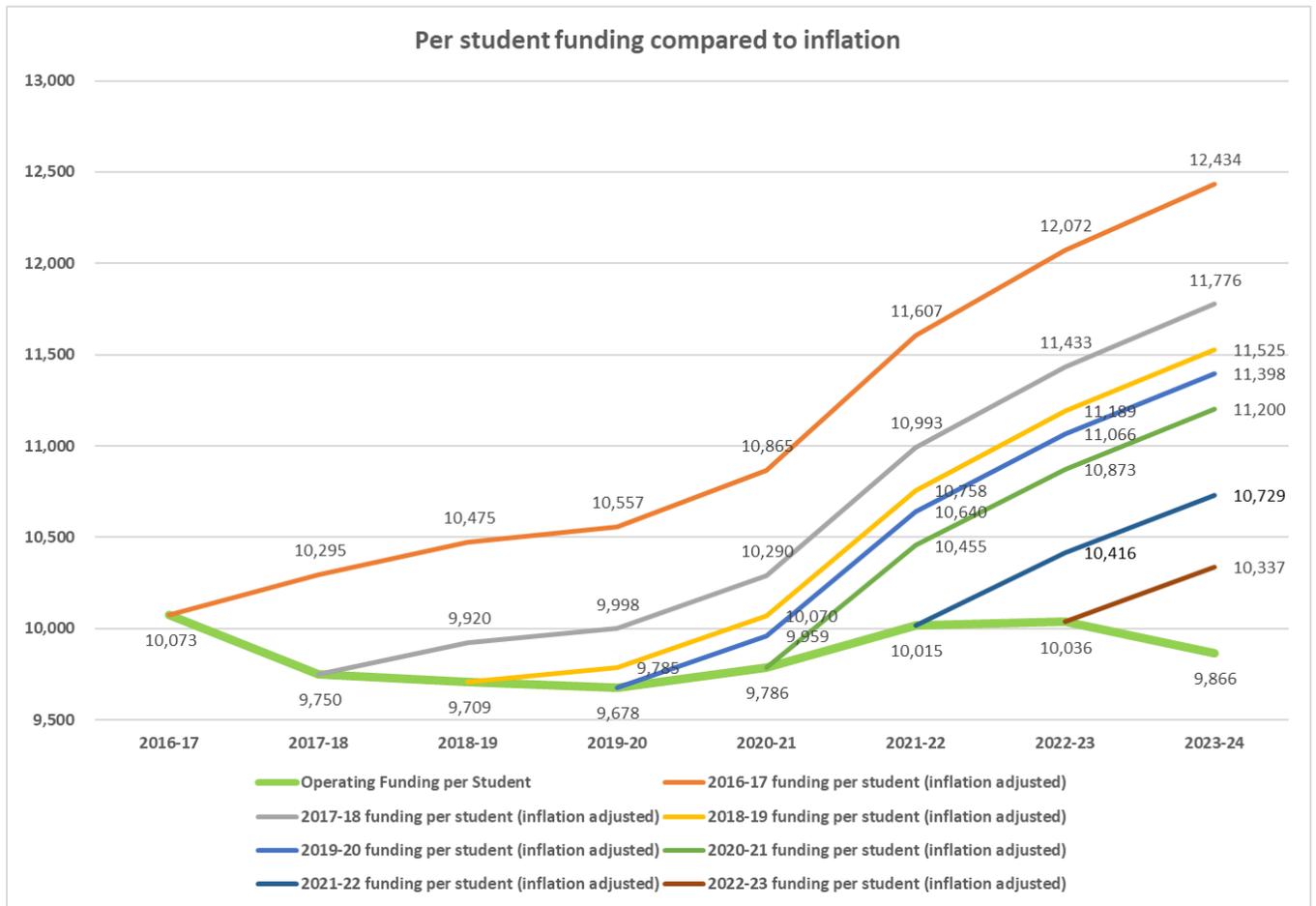
On June 1, 2023 additional funding of \$40.0 million was announced for school divisions across the province. Saskatoon Public Schools' share is \$8.0 million dollars with \$2.7 million allocated to class size and composition funding and \$5.3 million allocated to enrolment growth.

The projected enrolment for September 2023 is 28,294 students. Student enrolment as of September 2022 was 27,258 students as compared to a projection of 26,590. Enrolment has increased significantly due to the recovery post pandemic and rising immigration rates. The division is proud to welcome so many additional students. However, growth does provide challenges, especially in terms of facility space.

The division has also faced significant inflationary pressures for salaries, benefits and other expenditures. The following graph shows the per student funding from 2016-17 to 2023-24 and compares it to an inflation adjusted per student funding amount over that period. There is a significant gap between the inflation adjusted per student funding and the actual per student funding received. Not being funded for inflation in any of the past seven years has led to expenditure reductions and increased fees to families each year to balance the budget. It also results in a continued reduction in investment in school buildings. This trend continues in 2023-24.

The additional funding announced on June 1, 2023 has allowed the division to not increase the average class size in 2023-24, add 13.0 FTE educational assistants, one additional congregated learning program, 1.0 resource teacher and 1.5 English as an Additional Language teachers. The division is appreciative of the funding and is spending all of it directly in the classroom.

¹ Excluding associate schools, debt funding and funding for First Nations, Métis, Education Achievement Fund. Funding from 2022-23 includes mid-year funding adjustment and inflationary funding received.



As of August 31, 2022 the division had unrestricted reserve balances of \$5.3 million (1.9% of operating revenue) and internally restricted reserve balances of \$14.0 million (5.1% of operating revenue). The majority of the internally restricted reserves at August 31, 2022 are designated for school budgets, technology replacement and facilities. The division is expecting to draw down internally restricted reserve balances by \$2.0 million in 2022-23 for technology replacement and learning supports. For 2023-24, the division is budgeting to draw down the technology reserve by an additional \$5.4 million due to planned capital purchases for technology. The remaining reserves would continue to be used for school budgets, facility costs, technology replacement and other capital expenditures. There are no significant reserves available to fund operating deficits.

The continued erosion of purchasing power because funding has not kept pace with inflation, combined with the lack of available reserve funds and significant cost increases for 2023-24 has forced the school division to make reductions in several areas. These budget changes for 2023-24 are outlined below.

Saskatoon Public Schools Budget Report 2023-2024

Budget additions:

- \$7.2 million in increased salaries and benefits for teachers due to additional teachers to support enrolment growth, teacher step movements, CPP and EI increases;
- \$0.8 million in increased teacher substitute costs;
- \$2.9 million in increased salaries and benefits costs for non-teaching staff;
- Software licensing - \$0.2 million;
- Facilities operating costs to partially offset inflation - \$0.3 million;
- Transportation contracted costs - \$0.4 million;
- Utilities costs - \$0.5 million;
- Saskatoon International Education program budget - \$0.2 million;
- Two elementary functional life skills programs and one secondary functional life skills program - \$0.9 million;
- 3.5 FTE EAL teachers - \$0.35 million;
- 5.0 FTE elementary resource teachers - \$0.5 million;
- 0.5 FTE accounting technician - \$0.03 million;
- 0.5 FTE coordinator of nature-based learning - \$0.05 million (previously funded with post pandemic learning supports funding);
- 1.0 FTE consultant: equity - \$0.1 million (previously funded with post pandemic learning supports funding);
- 13.0 FTE educational assistants - \$0.6 million; and
- Capital infrastructure for staff computer refresh, wired networking replacement and bladeserver and back-up systems- \$4.6 million. This will be funded out of an internally restricted technology reserve.

Budget reductions and fees:

- Lunch supervision fees in secondary schools;
- Occupancy cost fees for early learning care centres to recover a portion of the actual costs to host them;
- Rental rate increases of 10% (after hour gym rentals);
- Transportation efficiencies of double looping two routes;
- Closure of the Alternate Education Work Study program for graduated students;
- Transportation for specialized preschools will no longer be offered (Language Learning preschool at Lawson Heights School and Step Ahead preschool at Silverwood Heights School);
- Teacher librarian reduction from 6.75 FTE to 3.0 FTE. There will be 2.0 FTE elementary teacher librarians and 1.0 FTE secondary teacher librarian to support schools in a centralized model; and

- Post pandemic funded outreach workers and learning support teachers will not continue as the one-time funding has all been spent.

ADVOCACY

To ensure adequate funding to meet the outcomes detailed in the strategic plan, the board and administration will work with the ministry and advocate for sufficient, sustainable and predictable funding. Specific priorities are as follows:

- Supports for Learning funding for students with special needs as well as those with complex needs - expenditures in this area exceeded funding by \$10.5 million in 2021-22;
 - i. Included in this shortfall is a \$2.3 million financial deficit from operating John Dolan School. This school enrolls high needs intensive support students. Several of these students come from across the province and relocated to Saskatoon to access health and educational services.
- Support funding for the elimination of the learning disparity for First Nation, Inuit and Métis students;
- Locally negotiated and provincial collective agreements;
- Regulatory cost increases for carbon tax and Canada Pension Plan payments;
- Inflation increases in facilities, transportation, utilities and technology;
- Capital and annual funding to address the backlog of needs for our school buildings to minimize the risk of breakdowns, insurance claims and service outages;
- Funding to replace technology infrastructure; and
- Funding to accomplish the goals of the newly approved Provincial Education Plan.

ASSUMPTIONS AND DEFINITIONS

The following are the most significant assumptions:

1. The ministry will approve the 2023-2024 budget as presented.
2. The 2023-2024 budget includes projected enrolment of 28,294 students. This is a increase of 1,036 students from the actual enrolment of September 2022 of 27,258 students. A material change in enrolment will significantly impact funding and expenditures.

The following are key definitions for the budget document:

1. **Discretionary reserves** – these are internally restricted and unrestricted reserves that the board can designate to cover operating or capital expenditures. This excludes externally restricted reserves including school generated funds, pension asset, preventative maintenance and renewal funds, capital funds restricted by the ministry, partnership and alternate funds reserves and public charity reserves.
2. **Inflation** – this is calculated using the Consumer Price Index (CPI) published by Statistics Canada for Saskatoon. The CPI represents changes in prices as experienced by Canadian consumers. It measures price change by comparing, through time, the cost of a fixed basket of goods and services.
3. **Student enrolment** – includes the total number of students pre-kindergarten to grade 12.
4. **Supports for Learning (SFL) funding** – this allocates funding to boards of education for the salary costs of staff who provide services and related programming to ensure that all students have equal access to, and benefit from, the provincial education program and non-salary costs related to supports required for learning. These supports reflect a comprehensive array of services for all students at the classroom, school, and school division levels, such as:
 - resource/learning assistance services;
 - English as an additional language supports for First Nations, Métis, Hutterian, immigrant, and other learners who require support and whose first language is not English;
 - formative, summative, and diagnostic assessment to guide the planning and implementation of responsive instruction, interventions, and supports that meet the needs of all students;
 - psychologists, speech-language pathologists, occupational therapists, physical therapists, and social workers;
 - counselling and addictions supports;

- interagency collaboration and settlement supports;
- community engagement; and,
- assistive technology.

FINANCIAL INFORMATION

Statement of Operations

	Budget 2023-24	Budget 2022-23
<u>Revenues</u>		
Provincial grants	\$ 286,040,497	\$ 272,328,803
Tuition and related fees	2,489,418	1,829,400
Complementary services	5,377,922	4,725,966
External services	10,935,554	8,132,203
School generated	4,155,000	4,155,000
Other	3,913,647	2,140,506
Total revenues	\$ 312,912,038	\$ 293,311,878

	Budget 2023-24	Budget 2022-23
<u>Expenses</u>		
Governance	\$ 686,127	\$ 666,664
Administration	7,084,351	6,718,298
Instruction	235,499,072	218,236,616
Plant	50,343,089	47,274,765
School generated	4,267,392	4,271,406
Transportation	7,932,139	7,160,795
Tuition and related fees	807,145	647,891
Complementary services	5,472,862	4,674,537
External services	11,607,652	8,735,292
Interest	200,944	243,119
Total expenses	\$ 323,900,773	\$ 298,629,382
Surplus/(deficit)	\$ (10,988,735)	\$ (5,317,504)

Cash Flow Requirements

	Budget 2023-24	Budget 2022-23
Total revenues	312,912,038	293,311,878
Total expenses	323,900,773	298,629,382
Surplus/(deficit)	(10,988,735)	(5,317,504)
<i>Tangible capital assets:</i>		
Purchases	(12,737,500)	(12,513,000)
<i>Long-term debt:</i>		
Debt repayments	(1,846,587)	(2,039,418)
<i>Non-cash items:</i>		
Amortization expense	17,980,000	15,560,000
Employee future benefits expenses	642,100	702,900
<i>Other cash requirements:</i>		
Employee future benefits expected payments	(334,100)	(295,300)
<i>Reserves:</i>		
Use of capital reserves	1,900,000	1,940,000
Use of operating reserves	-	1,200,000
Use of technology reserves	5,384,822	762,322
Surplus/deficit	\$ -	\$ -

REVENUES

In 2023-2024, revenues are estimated to be \$~~312.9~~^{310.9} million, an increase of 6.7% compared to the previous year's budget.

	Budget 2023-24	Budget 2022-23	\$ Change	% Change
Revenues				
Provincial grants (note 1)	\$ 286,040,497	\$ 272,328,803	13,711,694	5.0%
Tuition and related fees (note 2)	\$ 2,489,418	\$ 1,829,400	660,018	36.1%
Complementary services (note 3)	\$ 5,377,922	\$ 4,725,966	651,956	13.8%
External services (note 4)	\$ 10,935,554	\$ 8,132,203	2,803,351	34.5%
School generated	\$ 4,155,000	\$ 4,155,000	-	0.0%
Other (note 5)	\$ 3,913,647	\$ 2,140,506	1,773,141	82.8%
Total Revenues	\$ 312,912,038	\$ 293,311,878	\$ 19,600,160	6.7%

Notes:

- Increases to the provincial grant funding for education and projected enrolment growth in the division. This includes an increase to the operating grant of \$1~~4~~⁶.2 million, increases to the federal grant for Jordan's Principle of \$2.7 million, decreases to the P3 grant for contracted maintenance services \$0.3 million, decreases to provincial grants for capital projects \$3.0 million and decreases to provincial grants for Preventative, Maintenance and Renewal funding of \$0.7 million. \$0.3 million in funding for the Alternate Format Library program has been reclassified to complementary services. \$1.1 million in funding for driver's education program has been reclassified to external services.
- Tuition and related fees increased mainly due to an increase in the number of students in the Saskatoon International Education Program.
- Complementary services increased mainly due to projected increases for alternate revenues which includes funding from programs such as Early Learning Intensive Supports and French Second Language. \$0.3 million in funding for the Alternate Format Library program has been reclassified from provincial grant revenue.
- External grant funding has increased primarily due to grant revenues for the Following Their Voices program. \$1.1 million in funding for driver's education program has been reclassified from grant revenue.
- Other revenues have increased primarily due additional rental revenue and investment revenue. As well, revenue for lunch supervision fees has increased due to additional revenues included for secondary schools.

EXPENSES

In 2023-2024, expenses are estimated to be \$~~323.9~~^{323.9321.8} million, an increase of ~~8.57.8~~^{8.57.8}% compared to the previous year's budget.

	Budget 2023-24	Budget 2022-23	\$ Change	% Change
<u>Expenses</u>				
Governance	\$ 686,127	\$ 666,664	\$ 19,462	2.9%
Administration (note 1)	\$ 7,084,351	6,718,298	366,054	5.4%
Instruction (note 2)	\$ 235,499,072	218,236,616	17,262,456	7.9%
Plant (note 3)	\$ 50,343,089	47,274,765	3,068,324	6.5%
School generated	\$ 4,267,392	4,271,406	(4,014)	-0.1%
Transportation (note 4)	\$ 7,932,139	7,160,795	771,344	10.8%
Tuition and related fees (note 5)	\$ 807,145	647,891	159,254	24.6%
Complementary services (note 6)	\$ 5,472,862	4,674,537	798,325	17.1%
External services (note 7)	\$ 11,607,652	8,735,292	2,872,360	32.9%
Interest/allowances (note 8)	\$ 200,944	243,119	(42,175)	-17.3%
Total expenses	\$ 323,900,773	\$ 298,629,382	\$ 25,271,391	8.5%

Notes:

1. Administration costs increased primarily due to increases in salaries and benefits costs. This includes increased benefits cost for CPP of approximately 11.6% and EI of 5.2%.
2. Instruction cost increases are primarily the result of contractual or regulatory reasons, in addition to enrolment increases and student needs. Salary costs for non-teaching staff and benefits costs increases have been estimated for 2023-24. This includes increased benefits cost for CPP of approximately 11.6% and EI of 5.2%. This is partly offset by a decrease in salary and benefits costs for staffing reductions as outlined in the budgetary impacts section.
3. Plant costs increased mainly due to increased inflationary pressures in contractual commitments, utilities, materials and supplies. If the same level of service were anticipated in 2023-24, the increase would be significantly higher but this was not feasible due to budget constraints. Amortization expense, which is a non-cash item, also increased due to the capital additions.
4. Transportation costs increased mainly due to enrolment growth and inflationary pressures in contractual costs. Special education transportation costs have increased due to additional programs for students with intensive needs.

5. Tuition and related fees expenses have increased mainly due to an increase in tuition payments made for students attending a partner institution. The ministry provides funding for tuition fee expenses for these students which is included in the provincial grant revenue.
6. Complementary services expenses have increased mainly due to projected increases for alternate expenses which includes programs such as Early Learning Intensive Supports and French Second Language. \$0.3 million in funding for the Alternate Format Library program has been reclassified from instruction expenses.
7. External expenses have increased primarily due to expenses for the Following Their Voices program. \$1.1 million in expenses for driver's education program has been reclassified from instruction expense.
8. Interest expenses have decreased due to loan balance repayments.

SALARIES AND BENEFITS

In 2023-2024, salaries and benefits are expected to cost \$247.9 million, an increase of approximately \$17.6 million or 7.6% compared to the 2022-2023 budget. The increase is due to additional teaching staff and non-teaching classroom support staff to address enrolment growth, increased salary cost for non-teaching staff and benefit cost increases including Canada Pension Plan and Employment Insurance increases. An increase of \$2.7 million in salary expense relates to increased salaries for the Jordan's Principle educational assistants due to program growth. Staffing reductions were made in certain positions as outlined in the budget reductions section of this report.

CAPITAL EXPENDITURES

Capital Plan

Source of Funding and Total Cost of Annual and Multi-Year Projects

Facilities department:

Capital projects:

School relocatables

City Centre Consolidation project

Subtotal

Other departments:

Technology

Special education - technical aids

Total capital projects - all departments

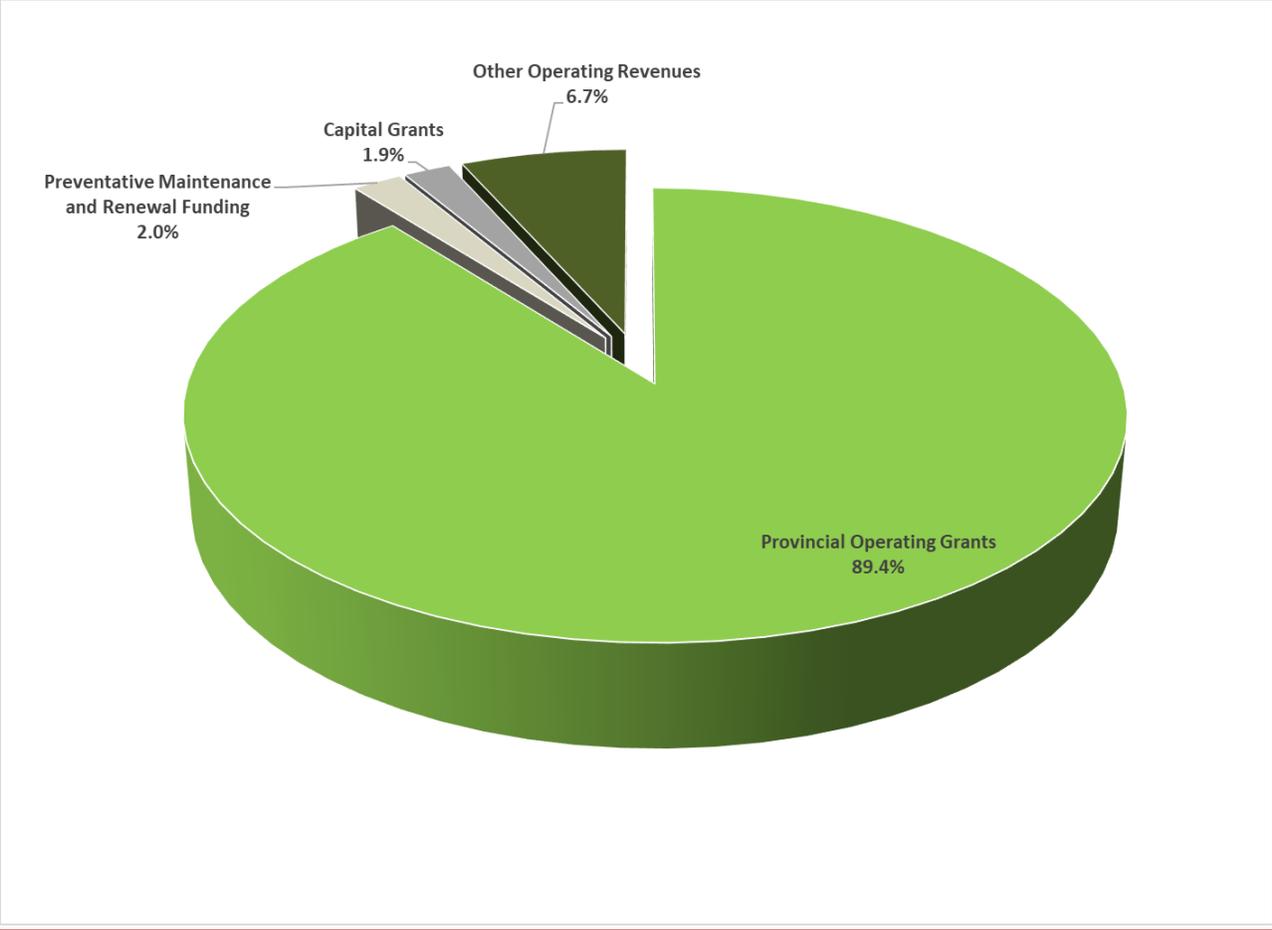
Source of Funding		
Funding from the Ministry	Capital Plan 2023-24	Total Capital Costs
-	1,900,000	\$ 1,900,000
5,967,000	-	\$ 5,967,000
\$ 5,967,000	\$ -	\$ 7,867,000
-	4,622,500	4,622,500
-	248,000	248,000
\$ 5,967,000	\$ 4,870,500	\$ 12,737,500

PROPOSED RESOLUTION

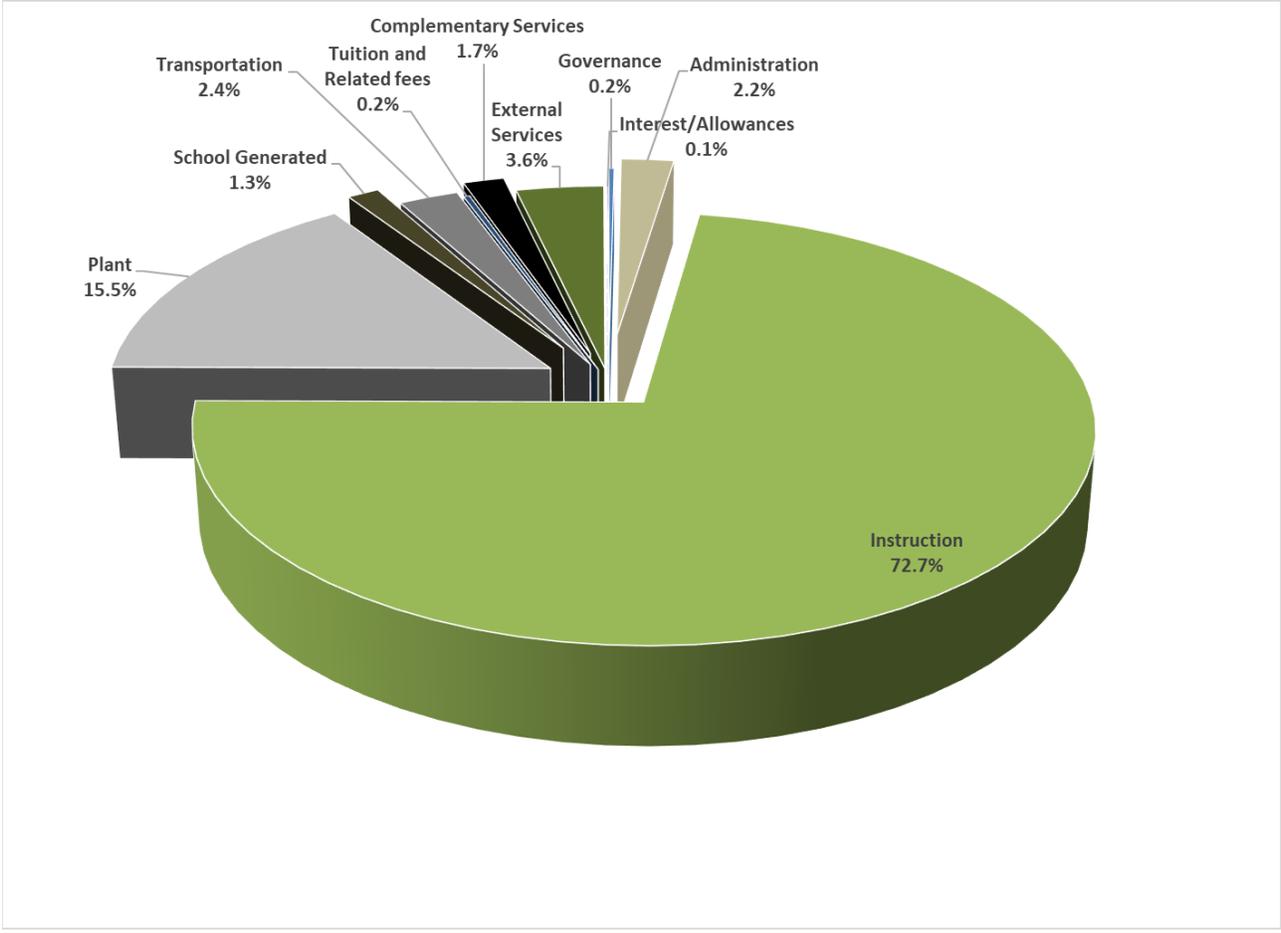
That the board approve its annual operating and capital budget estimates for the fiscal year September 1, 2023 to August 31, 2024 as detailed in the *2023-2024 Budget Report* subject to minor final edits.

APPENDIX – ADDITIONAL FINANCIAL INFORMATION

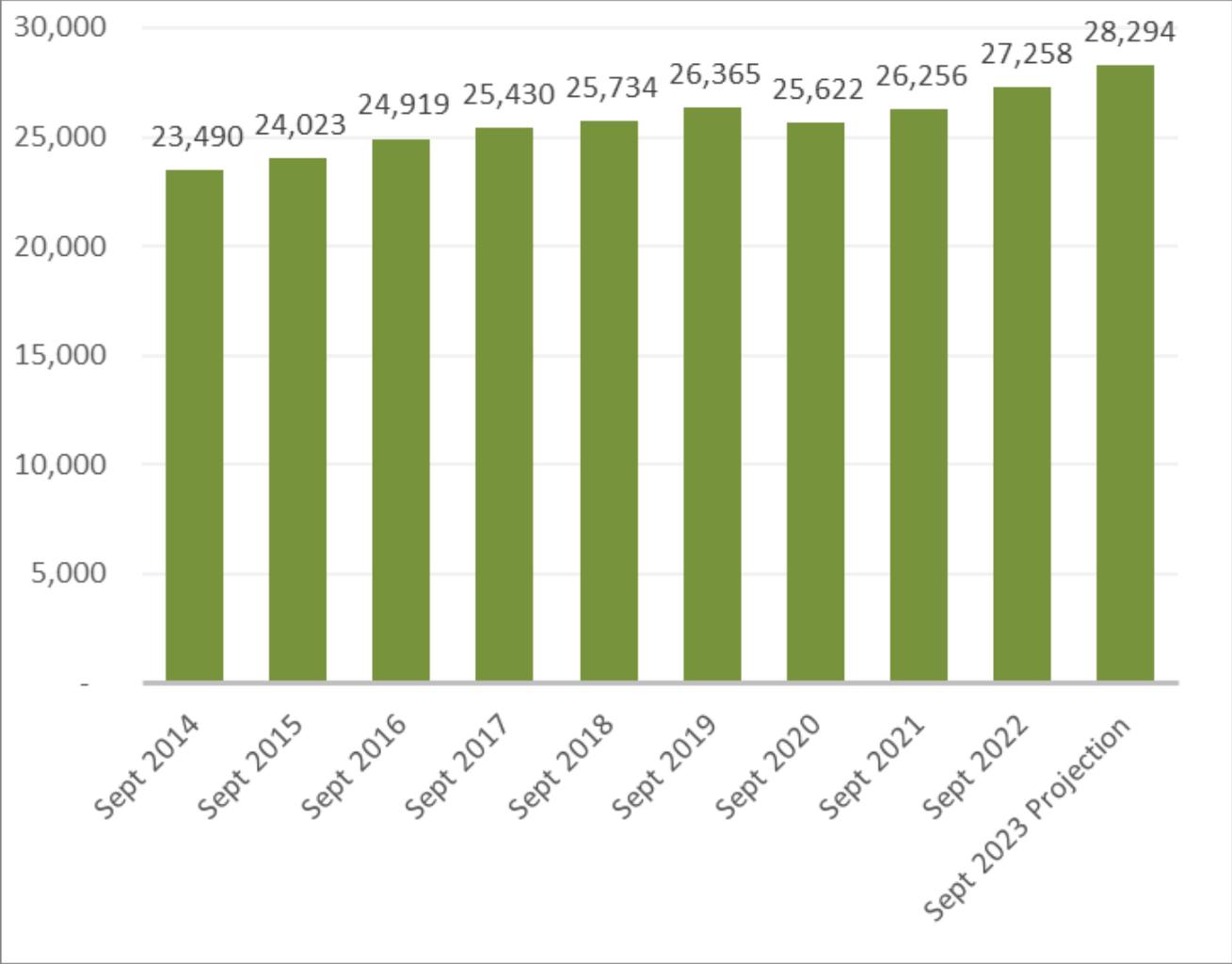
Total Revenue Sources for the Year Ending August 31, 2024



Total Expenses for the Year Ending August 31, 2024



Student Enrolment 2014-2024*



* Enrolment numbers are based on the total number of students, pre-kindergarten to grade 12. Funding is based on student FTE's which is lower than the total enrolment number.

